Demand for Grants 2025-26 Analysis
Telecommunications

The Department of Telecommunications under the Ministry of Communications is responsible for promotion and regulation of the telecom sector. The Department also administers several public sector undertakings involved in providing telecommunication services, consultancy, and equipment manufacturing. This note examines the allocation to the Department in 2025-26, trends in expenditure over the last few years, and discusses certain key issues in the sector.

Overview of Finances

In 2025-26, the Department has been allocated Rs 81,005 crore, which is 1.6% of the total budget of the central government.[1] The allocation to the Department in 2025-26 is estimated to decrease by 35% from the revised estimate of 2024-25 (Table 1). This decrease is mainly due to a lower allocation towards capital infusion in BSNL. Since 2019, the central government has been implementing a revival plan to improve the financial health of BSNL and MTNL (see page 2 for more details).

Table 1: Allocation to the Department of Telecommunications (Rs crore)

	2023-24 Actuals	2024-25 BE	2024-25 RE	2025-26 BE
Revenue	27,504	27,419	49,413	29,220
Capital	59,380	84,496	74,995	51,785
Total	**86,884**	**1,11,915**	**1,24,409**	**81,005**

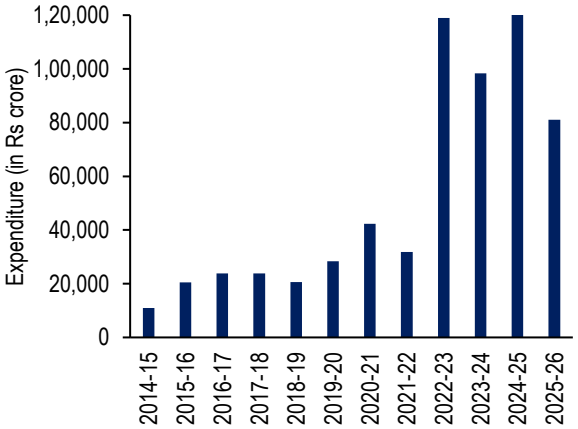
Note: RE: Revised Estimates; BE: Budget Estimates
Sources: Demand No. 13, Expenditure Budget, Union Budget 2024-25; PRS.

In 2024-25, spending by the Department is estimated to be 11% higher than budgeted. This is mainly due to additional transfers to the Universal Service Obligation Fund (USOF). USOF is a reserve fund to provide for telecom services in underserved areas and encourage R&D. It is being financed through a levy on service providers. Also, Rs 3,822 crore has been allocated at the revised stage towards implementation of voluntary retirement scheme for BSNL and MTNL. A token provision of one lakh rupees was made towards this at the budget stage.

Trend in Expenditure

Between 2014-15 and 2025-26, the expenditure of the Department is estimated to increase at a CAGR of 20%. A significant increase from 2022-23 is mainly due to expenditure towards revival plan for BSNL/MTNL (Figure 1). Over the last 10 years, the actual expenditure by the Department has varied significantly as compared to the budget estimates

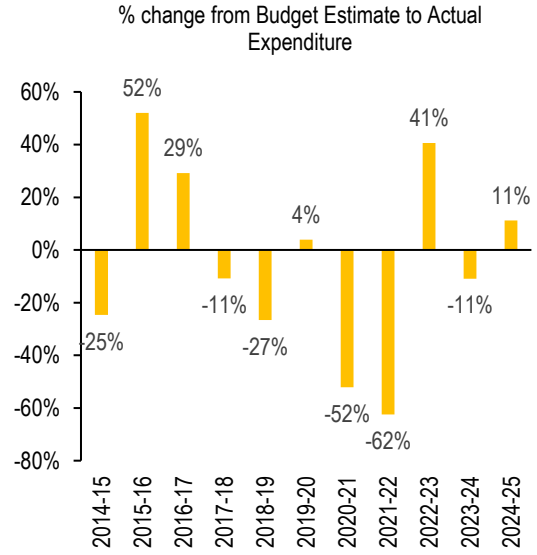
Figure 1: Expenditure has risen in recent years mainly due to revival plan for BSNL and MTNL



Note: Figures for 2024-25 as per revised estimates; figures for 2025-26 as per budget estimates.
Sources: Union Budget documents of various years; PRS.

(Figure 2). In 2015-16 and 2016-17, actual expenditure exceeded budget estimates by 52% and 29% respectively. In 2019-20, actual expenditure was 4% higher than the budgeted. However, in 2020-21 and 2021-22, the actual expenditure was significantly lower than the budget estimates. This was mainly due to the carryover of allocations to revival plan for BSNL and MTNL to subsequent years. A high variability in budget estimates and actual spending may indicate issues with budget forecasting and scheme implementation.

Figure 2: Fund utilisation by the Department has varied widely over the years



Note: Revised Estimates taken as actuals for 2024-25.
Sources: Union Budget documents of various years; PRS.

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Key Expenditure Heads

In 2025-26, three items account for over 90% of the total allocation. The highest allocation is towards support for BSNL and MTNL at Rs 35,189 crore (43%). Out of this, Rs 33,758 crore is towards capital infusion in BSNL. The second highest (27%) allocation of Rs 22,000 crore is toward Bharatnet project which aims to connect all gram panchayats with optical fibre network. Allocation towards Bharatnet has seen an increase of 238% over the revised estimate of 2024-25. In 2024-25, the spending under this scheme is estimated to be 31% lower than budgeted. The third highest allocation is towards pension (25%). This is for the pensionary benefits of department employees, including those absorbed in BSNL and MTNL, effective from April 2014.[1] We discuss key heads of expenditure in further detail in subsequent sections.

Table 2: Major expenditure heads in 2025-26 (Rs crore)

Head	2023-24 Actual	2024-25 RE	2025-26 BE	% change from 24-25 RE to 25-26 BE
Support to BSNL and MTNL	63,817	82,738	35,189	-57%
Bharatnet	3,076	6,500	22,000	238%
Pension	17,373	19,306	20,133	4%
Compensation to Service Providers	5,276	7,000	6,000	-14%
PLI Scheme*	367	1,806	1,965	9%
Network for Defence	1,093	1,316	1,456	11%

Note: RE: Revised Estimates; BE: Budget Estimates.
Sources: Expenditure Budget, Union Budget 2025-26; PRS.

Revival plan for BSNL and MTNL

Support to BSNL and MTNL have been announced in three tranches (Table 3).[2,3,4] This involves capital infusion for following: (i) purchase of spectrum, (ii) support for payment of AGR dues, (iii) support for capital expenditure. For components such as voluntary retirement scheme, payment of GST for purchase of spectrum, and payment of guarantee fee, the central government has provided grants. For component-wise allocation and actual expenditure towards BSNL and MTNL, see Table 11 in annexure.

Table 3: Key components of revival plan as sanctioned by Union Cabinet

Component	Amount (Rs crore)
2019 Revival Package	
Purchase of Spectrum	20,140
Voluntary Retirement Scheme	17,169
Sovereign Guarantee for Bonds	15,000
Support for Payment of GST for Spectrum	3,674
2022 Revival Package	
Purchase of Spectrum	44,993
Sovereign Guarantee for Bonds	40,399
Support for Payment of AGR Dues	33,404
Support for Capital Expenditure	22,471
2023 Revival Package	
Purchase of Spectrum	88,516
Miscellaneous	532

Sources: PIB Press Releases; PRS.

Bharatnet

The Bharatnet scheme was launched in 2011 with an aim to connect 2.64 lakh gram panchayats with optical fibre network.[5] The initial aim was to make gram panchayats service ready by connecting them with optical fibre networks. In July 2017, the implementation strategy was revised to include last mile connectivity through Wi-Fi or any other suitable technology to all gram panchayats.[5] The project has been divided into two phases. The Phase-I for connecting one lakh gram panchayats was completed in December 2017.[6,7] Phase-II to connect remaining gram panchayats is still ongoing. Originally, phase-II was to be completed by December 2019.[6,7] In June 2021, the Cabinet also extended the scheme to cover all inhabited states and villages.[8] The duration of the scheme was also extended to 2025.[8] The scheme was further amended to cover remaining 3.84 lakh villages on a demand basis.[9]

Table 4: Status of Bharatnet project as of February 10, 2025

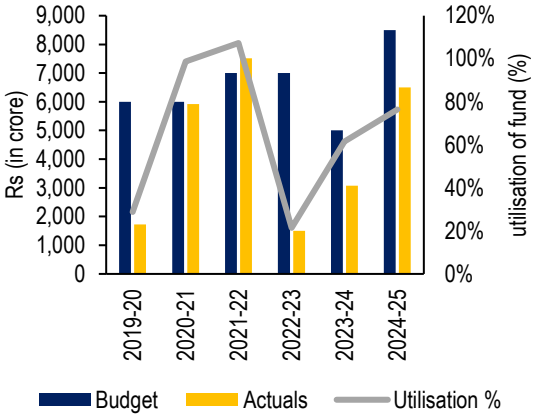
Parameter	Achievement	
	Number of Gram Panchayats	In %
OFC laid	2.14 lakh	81
Wi-Fi Installed	1.04 lakh	39
Wi-Fi operational	6,039	2.3

Source: Digital Bharat Nidhi Dashboard, Department of Telecommunications, as accessed on February 10, 2025; PRS.

In December 2024, the Standing Committee on Communications and information Technology noted following as key reasons for delays in Phase-II include: (i) difficulty in accessing remote areas, (ii) delay in obtaining right of way permissions, (iii) delay in finalisations of tenders by state Special Purpose Vehicles (SPVs), and (iv) disputes between state SPVs and project implementation agencies.[10] A SPV is a company created for implementing a specific project.[11]

Between 2019-20 and 2024-25 (six years), on average, actual spending was 34% lower than the budget estimate (Figure 3). In 2023-24, against a budget allocation of Rs 5,000 crore, actual expenditure was Rs 3,076 crore.

Figure 3: Actual Spending has been lower than the allocated fund



Sources: Union Budget Documents of various years; PRS.

Compensation to Service Providers

In 2025-26, Rs 6,000 crore has been allocated for compensation to service providers. This is for creation and enhancement of telecom infrastructure for improving access to telecom services for communities in rural and remote regions. This includes provisions for: (i) mobile towers in the northeast region, left wing extremism-affected areas, and aspirational districts, and (ii) optical fibre connectivity for Andaman & Nicobar Islands.[12]

PLI scheme for telecom sector

In February 2021, a Production-Linked Incentive Scheme was notified to promote telecom and network products manufacturing in India, with total projected outlay of Rs 12,195 crore.[13,14] The scheme provides incentive of 4%-6% on the incremental sale of products manufactured in India, with certain conditions also applicable for minimum investment. In 2021-22, no expenditure was registered under the scheme. In 2022-23, Rs 39 crore was spent on the scheme against a budget estimate of Rs 528 crore. In 2023- 24, Rs 367 crore was to be spent under this scheme. This is lower than the budget estimate (Rs 800 crore). In 2025-26, Rs 1,966 crore has been allocated towards this scheme.

Table 5: Allocation under PLI scheme for telecom sector (in Rs crore)

Year	Budget	Actual	Fund Utilisation
2022-23	528	39	7%
2023-24	800	367*	46%
2024-25	1,806	-	-
2025-26	1,966	-	-

Note: *For 2023-24, figure as per revised estimate from detailed demand for grants.
Source: Union Budget for various years; PRS.

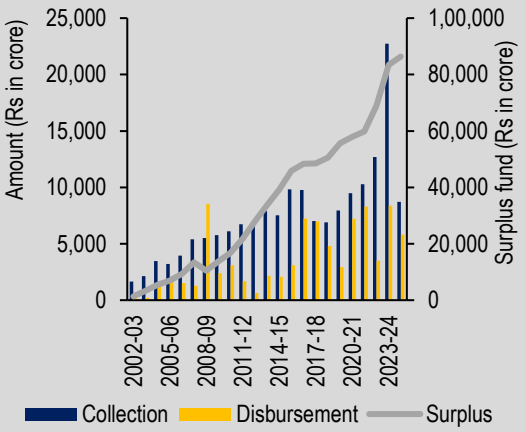
The scheme is applicable to transactions from April 1, 2021 onward.[13] The support is to be provided for a period of five years, from 2021-22 to 2025-26. The first round of application was invited between June 2021 and July 2021.[15] In June 2022, the scheme was amended to add a component for design-led manufacturing.[13] Additional applications were invited for design-led manufacturing as well as others for five years commencing from April 1, 2022.[15] They were also given an option of shifting the benefit period by one year.[16] The second round of applications were invited between June 2022 and August 2022. In total, 42 companies have been granted approval under the scheme as of December 2022.[16] These companies have committed investment of Rs 4,115 crore.[16] Generation of additional sales of Rs 2.45 lakh crore and additional employment of 44,000 is expected over five years.[16]

Unspent balance in USOF Fund

The (USOF) has been established to provide access to communication to people in rural and remote areas.[17] The resources for the fund are raised through a Universal Access Levy (UAL), which is 5% of the Adjusted Gross Revenue earned by all the operators under various licenses.[13] The Telecommunications Act, 2023, re-named the fund as the Digital Bharat Nidhi.[18] Funds can now also be utilised for supporting research and development in the telecom sector.

Over the years, the money utilised from the funds have been considerably lower than the amount credited to it. Between 2002-03 and 2024-25 (up to December 31, 2024), a total of Rs 1.71 lakh crore has been credited to the fund. Out of which, Rs 85,232 crore has been disbursed for various schemes (50%). Rs 86,356 crore remains unspent.

Figure 4: Status of USOF as of December 31, 2024



Sources: Website of USOF as accessed on January 27, 2025; PRS.

Table 6: Progress under the PLI Scheme for telecom sector as of November 30, 2024

Category	Investment (Rs crore)	Sales (Rs crore)	Employment (in number)
Domestic MSMEs	410	6,729	4,214
Other Domestic Companies	2,382	25,677	16,648
International Companies	1,289	46,266	5,489
Total	**4,081**	**78,672**	**26,351**

Sources: Telecom PLI Dashboard, Udyami Mitra Portal, SIDBI, as accessed on March 10, 2025; PRS.

Non-Tax Revenue from Communication Services

Communication services are one of the major sources of non-tax revenue of the central government. It includes proceeds from auction of spectrum and license fees, and spectrum usage charges. In 2025-26, non-tax revenue from communication services is estimated to be Rs 82,443 crore, which is 14% of the estimated total non-tax revenue (Rs 5,83,000 crore).[19] Collections are estimated to decrease by 33% compared to the revised estimates of 2024-25 (Rs 1,23,357 crore). The Standing Committee on Communication and Information Technology (2024) noted that fluctuation in spectrum revenue make the revenue stream unpredictable.[20] The Committee recommended managing timing and frequency of spectrum auctions so as to ensure a stable revenue stream.[20] It also recommended exploring additional sources of revenue such as satellite broadband, IoT services, leasing of digital infrastructure, asset monetisation, and monetising data services.[20] It observed that support from the government for expansion of 5G infrastructure could lead to increased demand which in turn could boost revenue. [20]

Table 7: Non-tax revenue from communication services (Rs crore)

Year	Budget	Actual	% change from Budget to Actual	% change year-on Year
2019-20	50,520	69,846	38%	71%
2020-21	1,33,027	45,501	-66%	-35%
2021-22	53,987	85,828	59%	89%
2022-23	52,806	64,835	23%	-24%
2023-24	89,469	90,659	1%	40%
2024-25	1,20,267	1,23,357	3%	36%
2025-26	82,443	-	-	-33%

Note: Revised estimate for 2024-25 shown as actuals.
Sources: Union Budget Documents of various years; PRS.

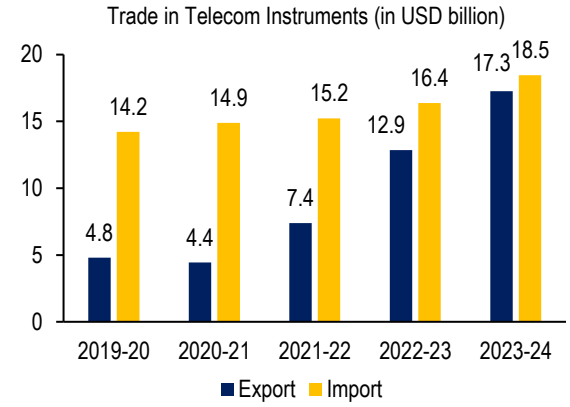
Issues for consideration

Import dependence for telecom instruments

In 2023-24, India imported telecom instruments worth USD 18.4 billion, an increase of 13% over the previous year.[21] In 2024-25, in the first seven months (April-November), telecom instruments worth USD 13.4 billion were imported, 9% increase over the corresponding period in the previous year.[21] During the five-year period between 2019-20 and 2023-24, imports have grown at around an annualised rate of 7%. Telecom instruments continue to be in the top-10 imported commodities by India.[22] While there is a continued import dependence, export of telecom instruments have also seen a significant rise in recent years. Between 2019-20 and 2023-24, exports have grown at an annualised rate of 38% to USD 17.3 billion.

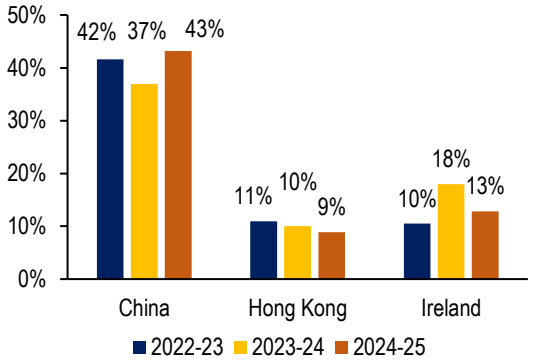
NITI Aayog (2024) noted that telecom equipment such as 4G/5G signal processing units and antenna, more than 40% are imported from China.[23] It noted that domestic manufacturing for complex telecom products are limited.[23] It also noted that India is also heavily reliant on import for components.[23]

Figure 5: Import of telecom instruments has continued to rise



Note: Data at the principal commodity level.
Sources: Trade Monitoring Dashboard, Ministry of Commerce and Industry; PRS.

Figure 6: About 40% of import of telecom instruments has come from China in last three years



Note: Data for 2024-25 is up to November.
Sources: Trade Monitoring Dashboard, Ministry of Commerce and Industry; PRS.

The central government has taken certain steps in recent years for development of domestic manufacturing capacity including: (i) PLI schemes, and certain other schemes for capex support and interest subvention for manufacturing of telecom equipment, semiconductors, and electronic goods and components, and (ii) venture capital fund and incubation centres for startups in these sectors.[24] NITI Aayog (2024) noted that despite several incentives, participation in electronics manufacturing remains limited due to several factors.[23] It noted that electronics manufacturing in India faces a cumulative cost disability of 10%-14% for assembly and 14%-18% for component manufacturing compared to China.[23] This includes disabilities due to: (i) tariffs and material costs (4%-6%), (ii) logistics costs (2%-3%), and (iii) high finance costs which adds about 1%-2.5% for assembly and up to 4% for components.[23] It noted that China also has an advantage due to presence of local components and sub-assembly ecosystems.[23]

TRAI (2023) had noted similar concerns.[24] TRAI also highlighted high costs of compliance, testing, and certification.[24] The Department of

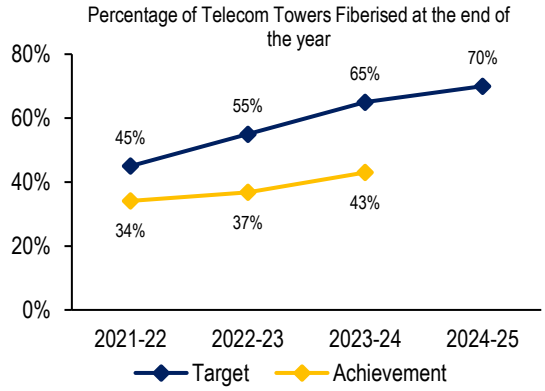
Telecommunications (2020) highlighted the following among key reasons for import dependence: (i) zero duty on import of telecom equipment as per existing tariff obligations under international treaties, and (ii) low investment in R&D and creation of intellectual property rights.[25]

TRAI (2023) had suggested following some measures to promote telecom and networking equipment manufacturing: (i) expansion of the PLI scheme to incentivise component manufacturing, (ii) preferential market access for locally manufactured equipment, (iii) creation of a Network and Telecom Equipment Development Fund for the promotion of local manufacturing, and (iv) tax relief for investments in the development of intellectual property in India.[24] NITI Aayog (2024) also recommended: (i) providing fiscal incentives for component manufacturing, product and design ecosystem development, and building industrial infrastructure, (ii) rationalisation of tariffs and taxes, (iii) investment in skilling to address shortage of skill workers, and (iv) simplifying process of tech transfer for component manufacturing.[23]

Augmentation of telecom network

Under the National Broadband Mission, the Department set a target of increasing fiberisation of telecom towers from around 30% in 2019-20 to 70% in 2024-25.[26] As of 2023-24, 43% of telecom towers were fiberised.[33] Fiberisation means connection of telecom towers through optical fiber. It allows for improved reliability, higher transmission capacity, and lower latency (time taken in data transfer).[27] Network latency in India was assessed to be 77 milliseconds as of 2023-24, against a target of 25 milliseconds.[33] TRAI (2019) had observed that increasing fiberisation is necessary for higher speed 5G networks.[27] The Department had also set a target of increasing tower density to improve quality of service.[26] In 2019-20, there were a total of 5.65 lakh towers in the country, which were aimed to be increased to 15 lakh by 2024-25.[26] As of February 2025, total number of towers in the country was 8.22 lakh.[28]

Figure 7: Fiberisation of telecom towers below target set under the National Broadband Mission



Source: National Broadband Mission, Department of Telecommunications, December 2019; 5th Report, Standing Committee on Communications and IT, December 2024; PRS.

The Standing Committee on Communications and Information Technology (2024) noted that commercial viability and issues in accessing right-of-way were affecting the laying of new optical fiber.[33] The Right of Way Rules govern the approvals and coordination required for laying fiber. In September 2024, the central government has notified new Rules on Right of Way under the Telecommunications Act, 2023.[29] The Rules provide for a timebound process for accessing right of way on public as well as private property.

Infrastructure sharing

TRAI (2023) noted that sharing telecommunication infrastructure may help in avoiding duplication, reducing costs, expediting service rollout, and lowering of consumer tariffs.[30] Similarly, spectrum sharing could lead to better utilisation amidst increased demand.[30]

Table 8: Cost saving from infrastructure sharing in Europe (in %)

Type of Sharing	Saving in Capital Expenditure	Saving in Operational Expenditure
Passive infrastructure sharing	16%-35%	16%-35%
Active infrastructure sharing (excluding spectrum)	33%-35%	25%-33%
Active infrastructure sharing (including spectrum)	33%-45%	30%-33%

Sources: Consultation Paper on Telecommunication Infrastructure Sharing, Spectrum Sharing, and Spectrum Leasing, TRAI, January 13, 2023; PRS.

TRAI (2024) noted that currently, regulations make distinction between passive and active infrastructure elements. Passive infrastructure includes physical elements such as towers and ducts.[31] Active infrastructure includes electronic elements such as antennas and transceivers.[31] As per existing regulations, sharing of all passive infrastructure elements is permitted, whereas only certain active infrastructure elements can be shared.[31] Similarly, sharing of inter-band spectrum and leasing of inter-band spectrum is restricted. TRAI also observed that inconsistencies exist in different service licences regarding sharing of infrastructure. It recommended allowing sharing of all passive and active infrastructure across all telecom licencees.[31] It also recommended removing restrictions on spectrum leasing and sharing.[31] To ensure wider rural connectivity, it recommended allowing sharing of all infrastructure funded through public funds.[31]

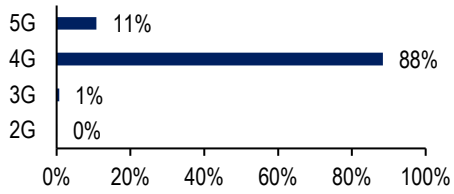
Adoption of 5G

5G services were launched in October 2022 in India. As of October 2024, 5G services have been rolled out in all states and are available in 779 out of 783 districts in the country.[32] As of March 24, 82% of the population had access to 5G network in India.[33] However, in 2023-24, only 11% of total wireless

data usage in the country was over 5G network.[34] The Standing committee (2024) noted the following key challenges related to 5G usage in India: (i) limited use cases for 5G, and (ii) insufficient return on investment from 5G for service providers.[33]

In 2022, the central government had issued a new licence called Captive Non-Public Network (CNPN) licence for establishing private 5G networks.[35] TRAI observed that the uptake for CNPN has been limited.[35] As of June 2023, only two CNPN licences have been issued out of which one is NCRTC Limited which is implementing Delhi-Meerut-Ghaziabad Rapid Rail project.[36]

Figure 8: Share of network type in wireless data usage in 2023-24



Source: Yearly Performance Indicator Report 2023-24, TRAI, August 14, 2024; PRS.

Limited deployment under PM-WANI

The National Digital Communication Policy, 2018, set a target of establishing one crore public Wi-Fi hotspots by 2022.[37] One of the measures to enable this is the Prime Minister's Wi-Fi Access Network Interface (PM-WANI) scheme launched in December 2020.[38] The scheme allows shops and small establishments to set up public wi-fi access points by utilising services of existing telecom service providers. As of February 2025, 2.8 lakh wi-fi hotspots are operational under PM-WANI.[39]

The Department of Telecommunications (2022) had observed that proliferation of services under PM-WANI was limited.[40] It further observed that this was mainly due to a higher tariff being charged by telecom service providers.[40] It also noted that service providers often require connection using expensive internet leased lines due to commercial agreements. TRAI (2024) recommended that the tariff for broadband services provided to PM-WANI operators should be aligned with retail broadband tariffs.[40] TRAI also suggested requirement for the removal of the commercial agreements. It proposed that the tariff charged by service providers under PM-WANI should not exceed twice the tariff of retail tariff for similar capacity.[40]

Financial performance of BSNL and MTNL

BSNL and MTNL are public sector undertakings engaged in providing telecommunication services. BSNL and MTNL have been incurring losses since 2009-10.[41] Between 2019-20 and 2025-26, the central government has estimated to spend a cumulative of Rs 2.5 lakh crore towards support to BSNL and MTNL (Table 11 in annexure).

As discussed earlier, under the revival plan, both BSNL and MTNL have offered voluntary retirement scheme to their employees. As of March 2022, 92,910 employees had opted for the VRS.[42] Owing to VRS, salary expenditure reduced by almost 50% for BSNL and 80% for MTNL.[42] The reduction in salary bill has led to a lower overall expenditure for both companies (Table 9 and Table 10).

Table 9: Financial Performance of BSNL (Rs crore)

Year	Income	Expenditure	Profit (+)/Loss (-)
2017-18	25,071	33,809	-8,738
2018-19	19,321	34,225	-14,904
2019-20	18,907	34,406	-15,499
2020-21	18,595	26,036	-7,441
2021-22	19,053	26,034	-6,981
2022-23	20,699	27,361	-6,662
2023-24	21,302	26,673	-5,371
2024-25 (till third quarter)	15,603	18,955	-2,527

Sources: Reports of the Standing Committee on Communication and Information Technology; Annual Reports and Financial Results of BSNL; PRS.

Table 10: Financial Performance of MTNL (Rs crore)

Year	Income	Expenditure	Profit (+)/Loss (-)
2017-18	3,116	6,090	-2,974
2018-19	2,606	5,997	-3,391
2019-20	2,227	5,923	-3,696
2020-21	1,788	4,251	-2,462
2021-22	1,697	4,299	-2,603
2022-23	1,474	4,385	-2,911
2023-24	1,301	4,604	-3,302
2024-25 (till third quarter)	1,048	3,550	-2,502

Sources: Reports of the Standing Committee on Communication and Information Technology, Annual Reports and Financial Results of MTNL; PRS.

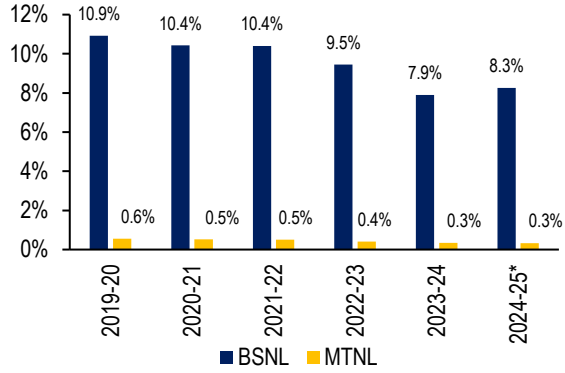
On the revenue side, MTNL has observed a consistent decline in income since 2017-18, whereas BSNL's income has grown at an annualised rate of 3% between 2019-20 and 2023-24. For both BSNL and MTNL, income in 2023-24 was lower than 2017-18 level. In third quarter (October-December) of 2024-25, BSNL has booked a profit of Rs 262 crore.[43] This is the first instance of booking profit in a quarter since 2007.[43]

In 2019, the government had also proposed merging the two entities; however, this has not occurred due to: (i) unsustainable debt of MTNL, (ii) pending statutory dues, and (iii) debt resolution.[10] In June 2024, MTNL defaulted on various bond payments (principal and interest) worth Rs 422 crore, leading to invocation of government guarantee.[44] As of August 5, 2024, MTNL had total outstanding debt of Rs 31,945 crore.[44]

Trends in market share

Both BSNL and MTNL saw a consistent decline in market share in terms of subscriber base between 2019-20 and 2023-24 (Figure 9).[45] The decline in market share was observed in both wireless and wireline segments (Table 12 and Table 13 in annexure).[45] However, in the first six months of 2024-25, BSNL is estimated to have gained a net of 39 lakh wireless subscribers compared to the March 2024 level.[45] This marks a turnaround in its market share after years of consistent decline.[45]

Figure 9: Market share of BSNL and MTNL in terms of number of subscribers



Note: Data for 2024-25 as of September 2024.
Source: Quarterly Performance Indicator Reports, TRAI; PRS.

Limited progress in asset monetisation

BSNL owns many properties in prime areas of various cities whose cumulative worth is estimated at Rs 67,000 crore.[46] The revival plan included asset monetisation as a method to fund capital expenditure, service debt, and meet other obligations.[46] Monetisation involves sale or leasing of properties. Asset monetisation worth Rs 20,200 crore was targeted to be carried out between 2019-20 and 2022-23.[46] However, there was significant underachievement on these targets.

High value assets (above Rs 100 crore) were to be monetised through the Department of Investment and Public Asset Management (DIPAM). Cumulative value of 14 such assets identified for monetisation was Rs 20,160 crore.[46] CAG (2023) noted that as of July 2022, none of these assets could be monetised.[46] Key issues included: (i) encroachment and deficiency in documentation for several assets, (ii) high reserve price for bids, and/or (iii) stringent payment terms.[46]

BSNL also has 15,121 land parcels (of value less than Rs 100 crore individually).[46] Out of these, 2,483 were lying vacant.[46] CAG (2023) observed that against this, BSNL had only identified 317 land parcels for monetisation.[46] Between October 2019 and February 2023, BSNL earned Rs 189 crore from sale/transfer of identified land parcels.[46] Additionally, it also raised Rs 690 crore from monetisation through lease between October 2019 and February 2023.[46]

Annexure

Table 11: Expenditure towards support to BSNL and MTNL (Rs crore)

Head	2019-20		2020-21		2021-22		2022-23		2023-24		2024-25		2025-26
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Revised	Budget
Capital Infusion in BSNL	0	0	14,115	0	14,115	0	44,720	26,386	52,937	56,785	82,916	72,028	33,758
Capital infusion in MTNL	0	0	6,295	0	6,295	0	0	0	0	0	0	0	0
Grants for payment of GST-BSNL	0	0	2,541	0	2,541	0	3,550	0	2,218	2,218	0	0	0
Grants for payment of GST-MTNL	0	0	1,133	0	1,133	0	0	0	0	0	0	0	0
Financial support to MTNL	384	383	372	383	383	384	384	384	384	383	312	312	0
Payment of principal amount of MTNL Bonds	0	0	0	0	0	0	0	0	0	865	3,669	3,669	0
Loans to MTNL on invocation of guarantees	0	0	0	0	0	0	0	0	0	0	156	1,151	0.01
Implementation of voluntary retirement scheme-BSNL/MTNL	0	295	3,295	3,028	3,000	3,473	3,300	3,465	2,671	2,127	0.01	3,822	0.01
Ex-gratia payment to employees taking VRS-BSNL/MTNL	0	5,000	9,889	11,162	0	0	0	0	0	0	0	0	0
Viability gap funding	0	0	0	0	0	0	0	16,189	1,740	1,200	1,200	1,200	1,200
Waiver of guarantee fee – BSNL/MTNL	0	0	0	0	0	0	0	42	174	239	556	556	231
Total	**384**	**5,678**	**37,640**	**14,573**	**27,467**	**3,857**	**51,954**	**46,466**	**60,124**	**63,817**	**88,809**	**82,738**	**35,189**

Sources: Demand No. 13, Department of Telecommunications, Expenditure Budget, Union Budget Documents of various years; PRS.

Table 12: Number of subscribers of BSNL and MTNL (in crore)

Year	BSNL			MTNL		
	Wireless	Wireline	Total	Wireless	Wireline	Total
2019-20	12.0	0.9	12.9	0.34	0.31	0.65
2020-21	11.9	0.7	12.5	0.33	0.29	0.62
2021-22	11.4	0.8	12.1	0.33	0.27	0.59
2022-23	10.4	0.7	11.1	0.24	0.23	0.47
2023-24	8.8	0.7	9.5	0.19	0.22	0.41
2024-25*	9.2	0.6	9.8	0.19	0.21	0.40

Note: *Data for 2024-25 as of September 2024.
Source: Quarterly Performance Indicator Reports, TRAI; PRS.

Table 13: Market share of BSNL and MTNL by number of subscribers

Year	BSNL			MTNL		
	Wireless	Wireline	Total	Wireless	Wireline	Total
2019-20	10.4%	43.2%	10.9%	0.3%	15.3%	0.6%
2020-21	10.1%	32.9%	10.4%	0.3%	14.4%	0.5%
2021-22	10.0%	30.2%	10.4%	0.3%	10.8%	0.5%
2022-23	9.1%	25.0%	9.5%	0.2%	8.1%	0.4%
2023-24	7.6%	19.2%	7.9%	0.2%	6.4%	0.3%
2024-25*	8.0%	16.6%	8.3%	0.2%	5.6%	0.3%

Note: *Data for 2024-25 as of September 2024.
Source: Quarterly Performance Indicator Reports, TRAI; PRS.

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